

MINUTES
REGULAR MEETING
BOARD OF TRUSTEES
THE SOCORRO ELECTRIC COOPERATIVE, INC.

December 27, 2017

INDEX

The Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc., held on Wednesday, December 27, 2017 at 310 Abeyta Ave, Socorro, New Mexico.

CALL TO ORDER

The meeting was called to order at 10:00 a.m. by Anne L. Dorough, President.

ROLL CALL

Secretary Baca called roll and reported those present and attending as follows:

TRUSTEES PRESENT: Anne L. Dorough, President
 Representative, District V

 David Wade, Vice-President
 Representative, District IV

 Mary Lucy Baca, Secretary/Treasurer
 Representative, District I

 Judith Holcomb, Trustee
 Representative, District II

 Luis Aguilar, Trustee*
 Representative, District III

 Leroy Anaya, Trustee
 Representative, District III

 Donald Wolberg, Trustee
 Representative, District III

TRUSTEES ABSENT: None

ALSO PRESENT: Joseph Herrera, General Manager
 Donna Wilkins, Administrative Assistant
 Tony Lopez, Line Foreman
 Marilyn Madrid, Member Services Supervisor
 Jimmy Capps, Director of Communications and Public Affairs

SEC MEMBERS PRESENT: Jimmy Dorough, John Larson

QUORUM

Secretary Baca declared a Quorum of Trustees present.

PLEDGE OF ALLEGIANCE

President Dorough led everyone in the Pledge of Allegiance.

CONSIDERATION AND APPROVAL OF AGENDA

There being no additions or deletions to the Agenda, President Dorough approve the Agenda as distributed.

CONSIDERATION AND APPROVAL PREVIOUS MINUTES

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Trustee Baca made a motion to correct the draft minutes.

Trustee Wolberg made a motion to correct the draft minutes.

President Dorough hearing no other corrections accepted the Minutes as modified.

PUBLIC COMMENTS

There were no comments brought forth by SEC Members.

MANAGER'S REPORT

Manager Herrera reported on the expenditures check register totaling \$1,024,668.36 for the month of November 2017 and proceeded to answer questions posed by the trustees concerning the Expenditure Report.

President Dorough accepted the Expenditure Report for November 2017 as presented.

Manager Herrera reported that all credit card statements with supporting receipts were made available to the board of trustees.

President Dorough accepted the Credit Card Expenditures for November 2017 as presented.

Manager Herrera carefully reviewed the RUS Form 7 Report for November 2017 and proceeded to answer questions posed by the trustees concerning the RUS Form 7.

President Dorough accepted the RUS Form 7 Report for November 2017 as presented.

Manager Herrera reported that in Engineering for November, there were 27 site visits completed with 16 of those in our West area. Manager Herrera also reported that Tierra ROW is working with the BLM and has plans to report to the Board in March of their progress on the Magdalena Transmission Project. Manager Herrera reported that T&D continues working on the 4-year Construction Work Plan (CWP) and hopes to have a draft in January 2018. Manager Herrera answered questions by the trustees.

President Dorough accepted the Engineering Report for November 2017 as presented.

Manager Herrera concluded his report by stating that SEC had received another thank you card from a 4-H child. Manager Herrera also reported that it's time to file the 2017 Form 990 and asked that all Trustees submit their time sheets by the end of January 2018.

SAFETY COMPLIANCE REPORT

Manager Herrera reviewed the November Safety Compliance Report and reported that Roy O'Day, Safety Coordinator with OAEC, visited Socorro Electric to present our RESAP recertification that is good for three years. Manager Herrera also stated that Tri-State conducted training with the line crew which will allow them to enter Tri-State Substations. Manager Herrera answered questions posed by the trustees.

President Dorough accepted the Safety Report for November 2017 as presented.

OPERATIONS AND MAINTENANCE REPORT

CONSTRUCTION/MAINTENANCE REPORT

Mr. Lopez reported crews have installed over 50 KVA of capacity for new services in November. Mr. Lopez stated that new construction has slowed down so crews have been busy working on maintenance projects throughout the system. Mr. Lopez answered questions posed by the trustees.

OUTAGE REPORTS

Mr. Lopez went over the Cooperative Response Center report for November 2017 stating all crews have been restoring the reported outages in a safe manner. Mr. Lopez answered questions posed by the trustees.

President Dorough accepted the Operations and Maintenance Report for November 2017 as presented.

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MEMBER SERVICES REPORTS

ENERGY DELINQUENT REPORT

Ms. Madrid reported on the Energy Delinquent Report for November 2017 and proceeded to answer questions posed by the trustees.

NM PRC MEMBER CONCERNS

Ms. Madrid reported there were no member complaints filed with the NM PRC in November 2017.

President Dorough accepted the NM PRC Member Concerns Report as presented for November 2017.

COMMUNICATION AND PUBLIC AFFAIRS REPORT

Mr. Capps reviewed the November Communication and Public Affairs Report and proceeded to answer questions posed by the trustees.

President Dorough accepted the Communication and Public Affairs Report for November 2017 as presented.

TRI-STATE REPORT

Trustee Wolberg gave the Tri-State Board of Directors activities report for November 2017.

President Dorough accepted Trustee Wolberg's Tri-State Report as presented.

NMRECA REPORT

Trustee Anaya gave the NMRECA Board of Directors activities report for November 2017.

President Dorough accepted Trustee Anaya's NMRECA Report as presented.

PRESIDENT'S REPORT

President Dorough reminded the Trustees they need to contact an interested member, from their district, who would be willing to serve on the Credentials & Elections Committee for the upcoming annual meeting. President Dorough stated that there needs to be a minimum of 7 individuals on this committee.

President Dorough presented and congratulated Trustee Holcomb with her NRECA Board Leadership Certificate.

FINANCE COMMITTEE REPORT

Committee Chair Trustee Baca reported on the Committee meetings held November 22, 2017.

President Dorough accepted the Finance Committee Report as presented.

MRGEDA REPORT

Trustee Holcomb reported that she was unable to attend the MRGEDA meeting held in November, but she stated that MRGEDA will be having its annual meeting on January 12, 2018. Trustee Holcomb requested board approval to submit her bio and application as a candidate, in hopes of becoming a full voting member of the MRGEDA Board of Directors.

After discussion, Trustee Wolberg made a motion to approve for Trustee Holcomb to submit her bio and application as a candidate for the MRGEDA Board as a full voting member; motion seconded by Trustee Baca. Motion carried unanimously.

President Dorough accepted the MRGEDA Report as presented.

NEW BUSINESS

Consideration of Cafeteria Insurance Plan Resolution

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Manager Herrera reported that at November's Board meeting, it was approved to offer the employees a Cafeteria plan for the Cigna Medical Insurance Program. Manager Herrera stated that this required resolution was for IRS purposes.

After discussion, Trustee Wolberg made a motion to approve the Cafeteria Insurance Plan Resolution; motion seconded by Trustee Holcomb. Motion carried unanimously.

Selection of Voting Delegate and Alternate Delegate

Manager Herrera reported that a voting and alternate delegate were needed for the upcoming NRECA Annual Meeting that is being held in Nashville, Tennessee.

After discussion, Trustee Anaya made a motion to nominate Manager Herrera as the NRECA Annual Meeting voting delegate; motion seconded by Trustee Holcomb. Motion carried unanimously.

After discussion, Trustee Holcomb nominate Trustee Anaya as the NRECA Annual Meeting alternate voting delegate; motion seconded by Trustee Wolberg. Motion carried unanimously.

After discussion, Trustee Anaya made a motion to nominate Trustee Wolberg as the Federated voting delegate; motion seconded by Trustee Holcomb. Motion carried unanimously.

After discussion, Trustee Wolberg nominate Trustee Anaya as the Federated alternate voting delegate; motion seconded by Trustee Wade. Motion carried unanimously.

After discussion, Trustee Baca made a motion to nominate Trustee Holcomb as the CFC voting delegate; motion seconded by Trustee Wolberg. Motion carried unanimously.

After discussion, Trustee Baca nominate Trustee Anaya as the CFC alternate voting delegate; motion seconded by Trustee Holcomb. Motion carried unanimously.

After discussion, Trustee Baca made a motion to nominate Trustee Wolberg as the NRTC voting delegate; motion seconded by Trustee Wade. Motion carried unanimously.

After discussion, Trustee Wolberg nominated Trustee Anaya as the NRTC alternate voting delegate; motion seconded by Trustee Baca. Motion carried unanimously.

Consideration of Attorney Engagement Renewal

Manager Herrera reported that Attorney Engagement Agreement that SEC has with the law firm of Wiggins, Williams and Wiggins is set to expire and he is asking for approval to renew this for one year.

* Trustee Aguilar came into the meeting during discussion of this agenda item at 11:25 a.m.

After discussion, Trustee Wade made a motion to renew the Attorney Engagement with Wiggins, Williams and Wiggins for one year; motion seconded by Trustee Wolberg. Motion carried unanimously.

After discussion, Trustee Anaya made a motion to have legal counsel present at every SEC Board meeting; motion seconded by Trustee Holcomb. Motion defeated.

Consideration of Capital Credit Estate Retirements

Manager Herrera reported that SEC General Counsel Bruce E. Wiggins Esq., had previously reviewed the Patronage Estate Capital Retirement as provided in the Trustee's Boardpaq. Mr. Wiggins reviewed the retirement documents and stated that they appeared to be in order and were ready for the Board's consideration:

ESTATE RETIREMENTS:

	Operating Margins	Plains G&T	Investment in Associated Organizations	Cushion of Credit & Other Non-Ops	Tri-State	Gains	Unpaid Balance	Total	Total without Tri-State
Charles Ames	\$231.42	\$6.72	\$14.80	\$8.57	\$72.79	\$0.00	\$0.00	\$334.30	\$261.51
Ann G Purnell	\$506.45	\$23.62	\$26.32	\$7.15	\$121.42	\$0.00	(\$78.04)	\$606.92	\$485.50

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Alfreda									
Yazzie	\$379.99	\$9.30	\$21.61	\$10.73	\$133.86	\$0.00	\$0.00	\$555.49	\$421.63
Clorinda									
Miller	\$336.43	\$16.16	\$18.03	\$5.77	\$75.06	\$0.00	\$0.00	\$451.45	\$376.39

JOINT ACCOUNT ESTATE RETIREMENTS:

	Operating Margins	Plains G&T	Investment in Associated Organizations	Cushion of Credit & Other Non-Ops	Tri-State	Gains	Unpaid Balance	Total	Total without Tri-State
Glisson Baca	\$108.49	\$0.00	\$8.96	\$6.77	\$63.35	\$0.00	\$0.00	\$185.57	\$124.22
Frederick H									
Hunger, Jr.	\$114.45	\$0.00	\$12.22	\$2.85	\$123.50	\$0.00	\$0.00	\$253.02	\$129.52
George H									
Scarborough	\$529.77	\$19.81	\$26.76	\$12.47	\$136.35	\$0.00	(\$300.00)	\$425.16	\$288.81

After discussion, Trustee Aguilar made a motion to approve the Retirement of Patronage Capital as presented, without any Tri-State allocations, to the above-mentioned estate accounts; motion seconded by Trustee Baca. Motion carried unanimously.

Consideration of Line Extension Contract

There were no Line Extension Contracts open for consideration.

Consideration of Trustee Travel

Trustees Anaya, Baca, Holcomb and Wolberg requested Board approval to attend the NRECA Directors Conference being held in Las Vegas, Nevada on March 25-28, 2018. Motion carried unanimously.

EXECUTIVE SESSION

There was no executive session.

SET DATE/TIME TO EVALUATE CEO

After discussion, Trustee Aguilar made a motion to have the following meetings on January 17, 2018: the CEO Evaluation at 10:00 a.m., the Foundation Committee at 1:00 p.m. and the Standing Committee at 2:00 p.m.; motion seconded by Trustee Wolberg.

After further discussion, Trustee Aguilar amended his motion to have following meetings on January 17, 2018: the Foundation Committee at 1:00 p.m. and the Standing Committee meet at 2:00 p.m.; motion seconded by Trustee Baca. Motion carried unanimously.

President Dorough calls for a vote on the amended motion to have on January 17, 2018 the Foundation Committee meet at 1:00 p.m. and the Standing Committee meet at 2:00 p.m.; motion carries unanimously.

SET DATE/TIME OF STRATEGIC PLANNING WORKSHOP

Manager Herrera reports that it has been almost two years since SEC conducted a Strategic Planning Workshop. Manager Herrera has been working with Jan Maples from The Connecting Point on a proposal for facilitating a Strategic Planning Workshop. Manager Herrera states that Ms. Maples information, proposal and available dates have been attached for the Board's review.

After discussion, Trustee Wade made a motion to have Jan Maples facilitate the Strategic Planning Workshop; motion seconded by Trustee Wolberg. Motion carried unanimously.

After further discussion, Trustee Wade made a motion to have the Strategic Planning Workshop for February 15-16, 2018; motion seconded by Trustee Anaya. Motion carried unanimously.

SET DATE/TIME FOR REGULAR MEETING

After discussion, Trustee Holcomb made a motion to set the Date and Time for the CEO Evaluation on Wednesday, January 24, 2018 at 10:00 a.m. and the next regularly scheduled meeting at 2:00 p.m.; motion seconded by Trustee Baca. Motion carried unanimously.

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Trustee Holcomb motioned to tentatively set the Date and Time for the February regularly scheduled board meeting to be held on Tuesday, February 20, 2018 at 2:00 p.m.; motion seconded by Trustee Wade. Motion carried unanimously.


ADJOURNMENT

There being no further items open for discussion, Trustee Wolberg made a motion to adjourn; seconded by Trustee Anaya.

President Dorough adjourned the meeting at 12:00 p.m.


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Mary Lucy Baca, Secretary/Treasurer

APPROVED:



Anne L. Dorough, President

I, Mary Lucy Baca, do hereby certify that I am the Secretary of the Board of Trustees of The Socorro Electric Cooperative, Inc., herein called the "Cooperative" and the above is a true and exact copy of the Minutes of the Regular Meeting held on December 27, 2017. A Quorum of Trustees was present and acted upon throughout the meeting and none of the Minutes of the above have been rescinded or modified.



Mary Lucy Baca, Secretary/Treasurer